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COMMERCIAL SPACE LAUNCH INDUSTRY
Opening Statement from Senator Frist
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I would like to welcome each of our witnesses here today. This hearing will attempt to examine the current environment of the U.S. commercial space launch industry, highlight barriers which impede its growth, and explore solutions to continue our nation's leadership role in the commercial space launch market.

I am particularly intrigued by today's subject in light of the hearing that Chairman McCain held last Thursday on the alleged transfer of U.S. satellite technology to China. Because what it is so clear to me and my colleagues about this controversy is that we must take steps to eliminate the need and the desire to launch in China and other countries. That is precisely what we are attempting to do today -- investigate ways to make the United States' launch industry attractive to both U.S. and foreign companies. If we fail to do this, then we are risking more than just the communications and remote sensing satellite industry, but the growth of emerging technologies capable of producing many new jobs and investment opportunities for the American public.

The United States commercial launch industry revenues last year totaled \$23.1 billion, a 15 percent increase from the previous year. Employment in 1997 reached over 100,000, a 10 percent increase from 1996. The Department of Commerce estimates that over 1,700 satellites are expected to be launched over the next 10 years, 70 percent of which will come from the commercial industry. Thus, it is clear that if the United States wants to remain the world's leader in this domain, we must begin right now to improve the nation's space launch capacity. That means reviewing the state of our outdated launch vehicle technology, costly infrastructure, and financial insurance needs that are the keys to the growth of this industry.

I hope to create a solid, yet provocative dialogue this afternoon to probe exactly where we stand and to ensure that we are taking the proper steps to not just maintain our current level of technology, but to provide a platform by which the nation's future needs can be met. The witnesses that we have gathered here today from the Administration and from industry have actively been engaged in many aspects of this industry since its birth. They are an important link between educating ourselves about this complex industry and solving the problems that handicap it.

I would like to acknowledge Senator John Breaux and thank him for requesting this hearing. He has provided Congress with legislation that has generated this critical debate and elevated it to a higher level.

